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Chk #	<u>50458</u>
Amount	<u>25.00</u>
Rcvd By	<u>JP</u>
Date	<u>1-23-04</u>

One,Discovery Square

12010 Sunset Hills Road

Reston, Virginia, 20190 USA

BY OVERNIGHT MAIL

K. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

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www.teleglobe.com

**Re: Teleglobe America Inc. – Petition for Authority to Implement
Internal Corporate Changes**

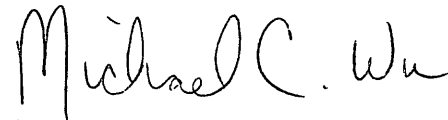
04-00031

Dear Mr. Waddell:

On behalf of Teleglobe America Inc., enclosed are an original and thirteen (13) copies of the above-captioned filing, along with a check in the amount of \$25 to cover the required filing fee.

Please date-stamp the extra copy of this filing and return it in the enclosed self-addressed, stamped envelope. Should you have any questions please do not hesitate to contact Rogena Harris at (703) 766-3061.

Respectfully submitted,


Michael C. Wu

Vice President and Acting General Counsel

**Before the
TENNESSEE REGULATORY AUTHORITY**

In the Matter of the Petition of

Telelobe America Inc.

For Authority to Implement
Internal Corporate Changes

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Case No. _____

PETITION

Telelobe America Inc. ("TAI" or "Petitioner"), pursuant to Tennessee Code Annotated Section 65-4-112, and the rules of the Tennessee Regulatory Authority (the "Authority"), respectfully requests approval for a series of financing and structural transactions which will result in certain non-substantial corporate changes through which certain new intermediate holding companies will be placed between TAI and TAI's current ultimate holding company, which is currently named Telelobe International Holdings Ltd ("Old Telelobe International"). The Telelobe entities also will complete certain financial transactions necessary to accommodate these changes in corporate structure. TAI emphasizes that none of the transactions described below will result in a change in the ultimate control of TAI and that TAI will continue to be ultimately majority owned and controlled by its existing shareholders. Moreover, because the corporate transactions described below are all stock transactions, the proposed transactions will not affect the identity of or the service provided by TAI and thus will be entirely transparent to customers of TAI. As a result, none of the proposed transactions will have any substantive impact on TAI or its operations.¹

¹ Recently, Petitioner was involved in a separate *pro forma* transaction whereby TAI's predecessor operating company, Telelobe USA LLC ("TUSA"), which held certification pursuant to Authority Order in Case No. 03-00081, was merged with and into TAI. By petition filed August 11, 2003, TAI sought approval *nunc pro tunc* from the Authority for that transaction. That transaction was approved by the Authority on October 16, 2003, in Docket No. 03-00470.

Petitioner respectfully submits that the public interest will be best served by the expeditious grant of this Petition. In particular, while the proposed transactions described herein will be entirely transparent to customers, Petitioner expects that the transactions will yield significant corporate and operational benefits and provide the Teleglobe companies greater financial flexibility and greater access to capital markets. Accordingly, Petitioner respectfully requests that the Authority approve this Petition expeditiously to allow the proposed transactions to be consummated as soon as possible.

Petitioner provides the following information in support of this Petition:

I. DESCRIPTION OF PETITIONER

Teleglobe America Inc. ("TAI") is a Delaware corporation with offices located at One Discovery Square, 4th Floor, 12010 Sunset Hills Road, Reston, Virginia, 20190. TAI is a wholly-owned subsidiary of TLGB Netherlands Holdings B.V. ("Teleglobe Netherlands"), a Dutch company, which is, in turn, wholly owned by TLGB Luxembourg Holdings S.a r.l. ("Teleglobe Luxembourg"), a company formed under the laws of Luxembourg. Teleglobe Luxembourg is currently a wholly-owned subsidiary of Teleglobe International Holdings Ltd ("Old Teleglobe International"), a Bermuda company. Further information regarding TAI, including TAI's Certificate of Incorporation and Certificate of Amendment of Certificate of Incorporation and certificate of qualification to transact business in Tennessee, has been previously submitted to the Authority, is therefore a matter of public record, and is incorporated herein by reference.

II. CONTACTS

Questions or any correspondence, orders, or other materials pertaining to this Petition should be directed to:

Rogena Harris
Teleglobe America Inc.
One Discovery Square, 4th Floor
12010 Sunset Hills Road
Reston, VA 20190-5856
Tel: (703) 766-3061
Fax: (703) 766-3104
Email: rogena.harris@teleglobe.com

III. DESCRIPTION OF TRANSACTIONS

For various corporate, organizational, and financial reasons, the corporate parents of Petitioner propose to complete a series of transactions whereby the holding company structure of the Teleglobe companies will be modified to add two new intermediate holding companies between TAI and its ultimate owners. Specifically, these transactions include the following:

Step 1: Old Teleglobe International will contribute all of the stock of its wholly-owned subsidiary, Teleglobe Luxembourg (which now indirectly owns all of the stock of TAI), to a newly formed direct wholly-owned subsidiary (New Teleglobe International) of Old Teleglobe International, which effective upon the merger with ITXC Corp. ("ITXC") will be a registered and publicly listed entity. That subsidiary will then immediately change its name to, and be publicly traded under, the name Teleglobe International Holdings Ltd ("New Teleglobe International"). In preparation for the proposed transactions, Old Teleglobe International will change its name to "Teleglobe Bermuda Holdings Ltd". As a result, New Teleglobe International will become a new intermediate indirect holding company between Old Teleglobe International and Teleglobe Luxembourg and therefore a new indirect intermediate holding company of TAI.

Step 2: New Telelobe International will acquire all of the outstanding shares of ITXC, an existing holding company formed under the laws of the State of Delaware pursuant to a stock for stock merger whereby a merger subsidiary of New Telelobe International will merge with and into ITXC. In exchange for each share of ITXC common stock, the current stockholders of ITXC will have the right to receive in the aggregate approximately twenty-eight percent (28%) of New Telelobe International, such shares to be publicly traded and widely held.

Step 3: Telelobe Netherlands, the current direct parent of TAI, will contribute its ownership of TAI to ITXC. As a result, ITXC will become the direct corporate holding company of TAI and an indirect wholly-owned subsidiary of New Telelobe International.

Petitioner emphasizes that as a result of these transactions, TAI will continue to be majority owned and controlled by Old Telelobe International, even though the chain of such ownership has been modified to include New Telelobe International and ITXC. An illustrative chart of the proposed transactions is provided in Exhibit A. In addition to the proposed corporate changes, Petitioner anticipates that the Telelobe companies will complete certain financial transactions in connection with the proposed corporate structure changes.

These new financial arrangements will not affect the ultimate control of TAI, both because Old Telelobe International will retain a direct majority interest in New Telelobe International, and because the newly created minority interest in New Telelobe International will be publicly and widely held. Furthermore, because all of the proposed changes will be completed at the holding company level, and substantively no change in control will result, the proposed transaction will not affect the day-to-day operations of TAI and will be entirely transparent to customers in terms of the services that they receive.

IV. PUBLIC INTEREST CONSIDERATIONS

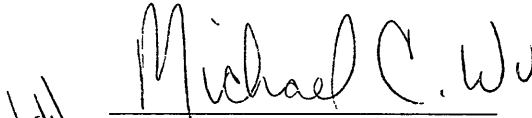
The transactions described herein will serve the public interest. The new organizational structure of the Teleglobe companies is expected to allow the companies greater structural flexibility to complete financing and other business transactions. Petitioner expects the new corporate structure, including the establishment of ITXC as a holding company above TAI, to provide significant organizational and corporate benefits. The new corporate structure is also expected to allow the Teleglobe companies to obtain access to additional sources of funding which will allow TAI to compete more effectively in the Tennessee marketplace while ensuring that TAI will continue to be in a position to meet the needs and demands of its customers.

The proposed transactions will be transparent to customers of TAI in terms of the services they receive. Except for certain internal refinancing arrangements, all of the proposed transactions will be completed at the holding company level. As a result, the transactions will not affect the services TAI provides, the management team that directly oversees the provision of such service, or the technical ability of TAI. Furthermore, by allowing the Teleglobe companies better access to capital, the proposed transactions are expected to enhance TAI's financial position.

V. CONCLUSION

For the foregoing reasons, Petitioner respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Petition.

Respectfully submitted,



Michael C. Wu

Vice President and Acting General Counsel
Teleglobe America Inc.
One Discovery Square, 4th Floor
12010 Sunset Hills Road
Reston, VA 20190-5856

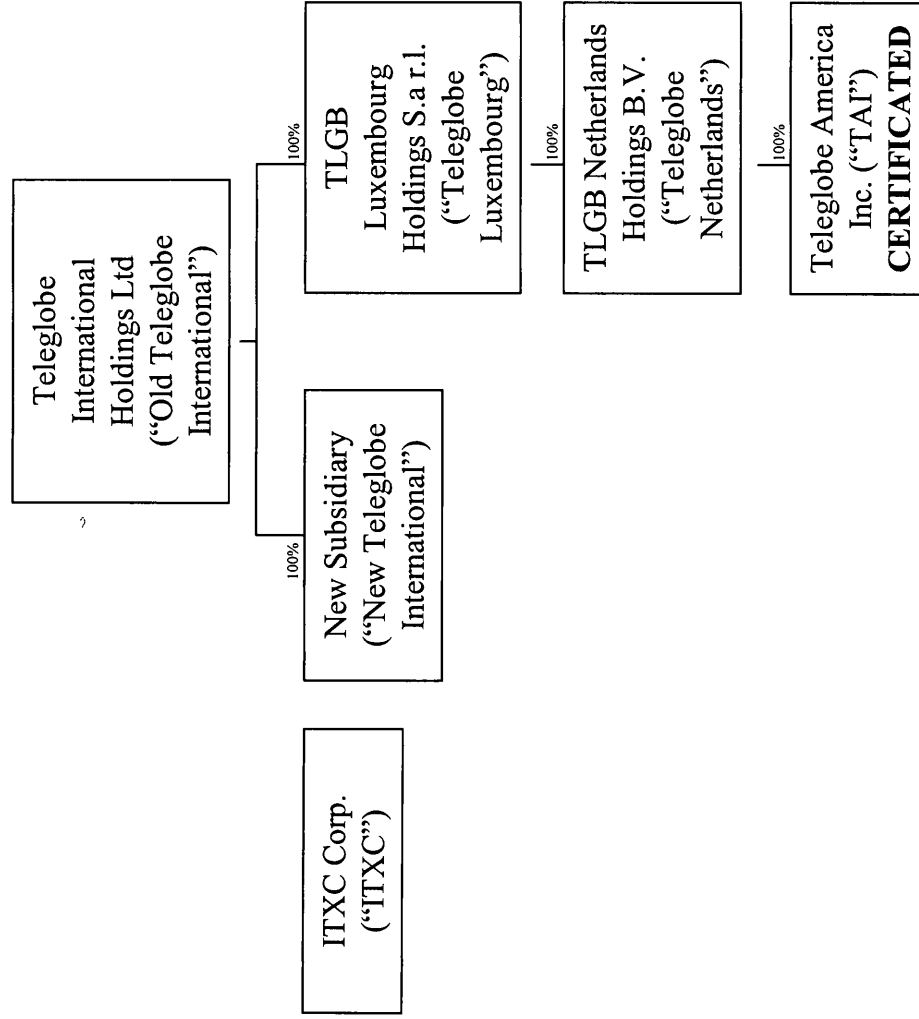
Dated: January 22, 2004

EXHIBIT A

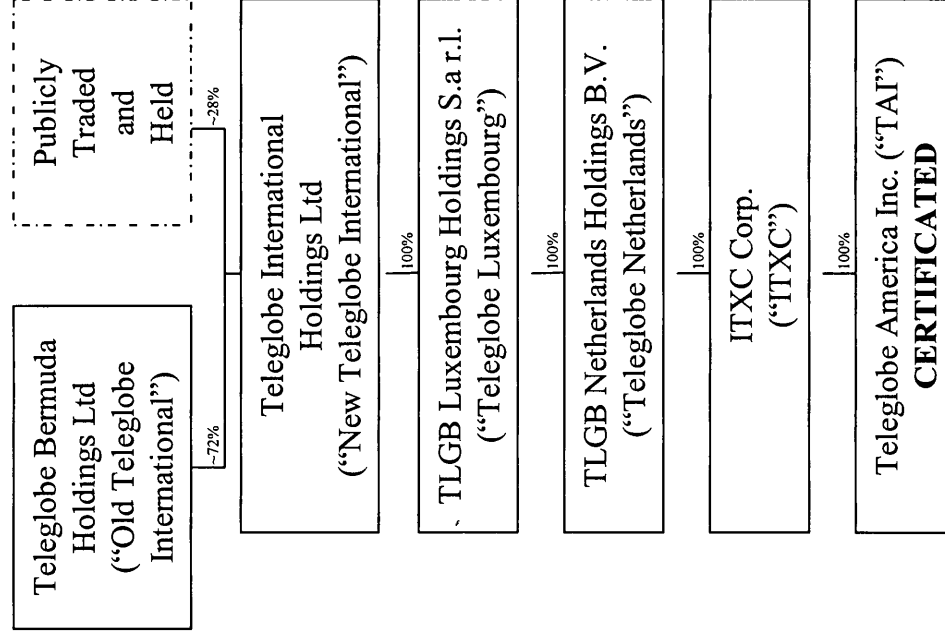
Illustrative Chart

Illustrative Chart

Pre-Transactions



Post-Transactions

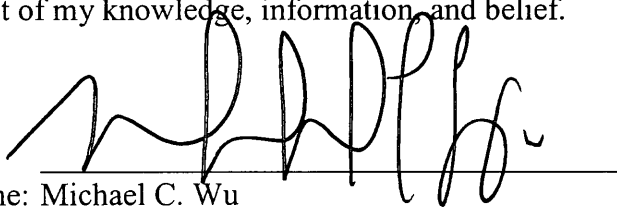


VERIFICATION

VERIFICATION

STATE OF VIRGINIA :
 :
COUNTY OF FAIRFAX : SS.

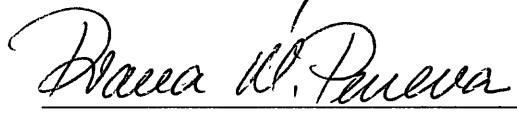
I, Michael C. Wu, being first duly sworn, state that I am Vice President and Acting General Counsel of Teleglobe America Inc., the Applicant in the foregoing Application, that I am authorized to make this Verification on its behalf, and that the contents of the foregoing Application are true and correct to the best of my knowledge, information, and belief.



Name: Michael C. Wu

Title: Vice President and Acting General Counsel
Teleglobe America Inc.

Sworn and subscribed before me this 22 day of January, 2004.


Notary Public